

Obama's third day of lawmaker lunches focuses on tax, entitlement reform

By Ed O'Keefe , Updated: March 14, 2013

President Obama made a third and final trip to Capitol Hill on Thursday to hear from Senate Republicans who urged him to remain engaged with Capitol Hill, and House Democrats, who pressed him on possible changes to entitlement programs.

Obama began the third day of his charm offensive with a midday lunch with Senate Republicans in the storied Lyndon B. Johnson Room just off the Senate chamber. As he left, he deemed his first appointment “a great conversation.”

Later, Obama met with House Democrats in the basement of the Capitol Visitors Center and seemed pleased at the end of three days of meetings.

“I think we’ve had good conversations. But ultimately it’s a matter of the House and Senate, both caucuses getting together and being willing to compromise,” Obama said. “We’ll see what we can do.”

GOP senators emerged from their lunch in a buoyant mood, saying that Obama fielded nearly a dozen questions over 90 minutes regarding budget negotiations, immigration, entitlement programs, corporate taxes and federal regulations.

“I think this is more substantive than I anticipated,” said Sen. Pat Roberts (R-Kan.), adding that he was pleasantly surprised the discussion “got down into the weeds” of fiscal policy, with senators representing “every pasture” of the GOP’s ideological wings asking questions.

A key focus was asking Obama to tone down his rhetoric on entitlement programs, as Republicans cited his interview with ABC News in which he accused the GOP of wanting to balance the budget by “gutting” Medicare and Social Security. Obama, Roberts said, “tried to better define what he said to George Stephanopoulos.”

The meeting was a stark contrast to a similar huddle three years ago in a Senate meeting room around the corner, a gathering that took place in the midst of Obama’s push for a Democratic-only bill to dramatically reshape the health-care system.

After that 2010 meeting, Roberts left the meeting angry and told reporters that Obama needed to “take a Valium,” pulling out a notebook and reading all the points he felt the president did to affront the Senate GOP. On Thursday, Roberts said he took five pages of notes but, because it was a productive meeting, declined to share them with reporters.

Other senators exiting the lunch described several moments of goodwill.

Sen. Jeff Flake (R-Ariz.) began his own question about an EPA regulatory issue by thanking the president for his role in the immigration debate — particularly for staying in the background and allowing senators to work.

Sen. John Barrasso (R-Wyo.) took a moment to recognize Sen. John McCain (R-Ariz.) on the anniversary of his release from a North Vietnamese prison 40 years ago. Obama followed up by thanking McCain for his service, and the conference all applauded, senators said.

Even Sen. Ted Cruz (R-Tex.) said he was encouraged — noting the president had indicated his support for revenue neutral corporate tax reform as well as a new commission on regulatory reform. Obama has long supported corporate tax reform that lowers rates, but many Republicans oppose separating corporate reform from an overhaul of the system for individual taxpayers.

Throughout the exchange, Sen. Roger Wicker (R-Miss.) said his colleagues stressed that “presidential involvement” would be critical to scoring bipartisan compromises.

“I think a general theme that the president can take away from the meeting is that this idea — that somehow his involvement in tax policy and entitlement reform is harmful — is exactly backwards,” Wicker said.

Sen. Lamar Alexander (R-Tenn.), concurred: “He needs to haul off, rare back and say he needs to become Moses and lead us in a particular direction with a number of us following or walking along with him and see if he can get a result.”

“We said this is the way presidents historically have dealt with members of the Senate — they’ve gotten to know them,” Alexander said, noting that Johnson and Republican Senate Leader Everett Dirksen spoke nearly every day before the passage of the historic Civil Rights Act.

There were flashpoints during the meeting that likely will remain unresolved. Obama asked Republicans to more quickly confirm his nominees, particularly those to the federal bench, coming a week after Republicans filibustered his nominee to the important U.S. Court of Appeals for the District of Columbia. GOP senators, however, generally rejected that claim, saying that they had so far blocked just two of his judicial nominees, far fewer than the Bush White House saw in its first five years.

“The president made the pitch. I don’t think it had a lot of credibility,” said Sen. Jerry Moran (R-Kan.).

During his meeting with Democrats, Obama also faced tough exchanges.

Pressed by liberal Rep. Keith Ellison (D-Minn.) about his support for changing the measurement of inflation when calculating Social Security benefits, a change opposed by many Democrats that would result in reducing benefits over time, Obama did not mince words.

He said he believed the “[chained CPI](#)” might be a more accurate measure of inflation than what is now in use and did not back off his own support for the idea, which he had reiterated with both House and Senate Republicans. But for his allies, he had an addendum: it would not happen without significant Republican concessions on revenue, which are not necessarily likely.

“I haven’t heard anything from Republicans on revenues. So Keith, I think you can relax.” Democrats took that as good-natured ribbing and laughed.

According to Democrats in the room, Obama told the group that the nation no longer has a short-term deficit problem, but that long-term problems with Medicare and Social Security need to be addressed.

“We’re not going to chase a bad deal,” he told them. “We’re not in a short-term crisis.”

That point was mollifying to Democrats, but many were not persuaded they should concede on the idea even if Republicans do offer new revenues.

“If the Republicans are willing to make a major deal on tax revenues — which I doubt — but if they do, we can have a fight over chained CPI,” Rep. Jerrold Nadler (D-N.Y.) said.

Among Senate Republicans, several asked for more meetings and smaller group huddles at the White House, according to senators, following up on a phone call Obama had Friday with Senate Minority Leader Mitch McConnell (R-Ky.), who recommended that the president have more dinners such as last week’s meal at The Jefferson Hotel with a dozen Republicans. There were no guarantees that there would be follow-up meetings, senators said.

Sen. John Hoeven (R-N.D.), who attended last week’s dinner, said the more intimate nature of the dinner lent itself to better developing a relationship with the president.

“At dinner, it was an actual give-and-take, back-and-forth, more direct,” Hoeven said. “This [lunch] was good too, but at dinner, we were there for two and three hours actually pushing ideas back and forth, which I thought was quite constructive.”

Hoeven was one of a handful of senators who asked Obama whether his administration will approve construction of the Keystone XL oil and gas pipeline, which would stretch from

Canada to the Gulf of Mexico. Obama suggested that a final decision was “months” away, senators said.

Follow Ed O’Keefe on Twitter: [@edatpost](#)

© The Washington Post Company